

## FOR IMMEDIATE RELEASE City of Duluth Communications Office

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SUBJECT: Federal Court grants City partial summary judgment on casino litigation

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## Federal Court grants City partial summary judgment in Casino litigation

The U.S. District Court has granted the City partial summary judgment in its case against the Fond du Lac Band. In August 2009, the Fond du Lac Band notified the City of Duluth of its intent to immediately cease all payments to the City related to the operation of the Fond du Luth Casino. The Casino has been operating since 1986 pursuant to the gaming rights agreements of 1986 and 1994 between the Band and the City of Duluth. The Band contended that the agreements were based on erroneous understandings and that the City's consent to the existence of reservation land within the city was not necessary in 1986. The City filed a request for declaratory judgment and today received the decision recognizing the legality of the 1994 agreements. In her 20-page opinion, U.S. District Court Ann Montgomery granted the City summary judgment on the bulk of its claims and ruled that the 1994 agreements are valid and binding on the parties.

"We are very pleased with the Court's order which confirms the 1994 agreement. With this affirming decision, we can now turn our attention to the mediation and arbitration process as outlined in the existing contract. My goal is an agreement that will result in mutual benefit of both parties and will ensure the expanded success of the Fond du Lac Casino in downtown Duluth," said Mayor Don Ness.

The City will now bill the Band for the approximately \$4 million in past due payments as provided under contract and the court's order.

Over the past 25 years, these agreements have been thoroughly reviewed and approved by the Fond du Lac Band, the City of Duluth, the U.S. Secretary of the Interior, the Chairman of the National Indian Gaming Commission and the Federal District Court for Minnesota.

The Band expressed what both parties saw as mutual and shared interests in the very difficult days of the early 1980s in Duluth when, in the words of the Band in 1994 before Congress, "In 1984, representatives of the City and the Band came together to explore the possibility of creating a joint relationship that would benefit the interest of both parties."

Both the Band and the City have benefited from this joint venture over the past 25 years. This success would not have been possible without the agreement and cooperation of both parties. The City intends to negotiate with the Band on the next 25 years of payments that start after April 1, 2011 as required by contract.

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